

State of New Jersey DEPARTMENT OF HEALTH PO BOX 360 TRENTON, N.J. 08625-0360

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KAITLAN BASTON, MD, MSc, DFASAM Acting Commissioner

September 11, 2023

VIA ELECTRONIC AND FIRST-CLASS MAIL

Mary Ellen Clyne, Ph.D. President, CEO Clara Maass Medical Center One Clara Maass Drive Belleville, NJ 07109

> RE: Clara Maass Medical Center CN# ER 20081005;05 Extension of Time Addition of 21 Adult Closed Psychiatric Beds Total Updated Project Cost: \$5,300,000 Expiration Date: July 2, 2024

Dear Dr. Clyne:

Please be advised that the Department of Health (Department) is approving the extension of time Expedited Review Certificate of Need (CN) application, dated September 30, 2022, for Clara Maass Medical Center (CMMC) to add the remaining unimplemented twenty-one (21) adult acute involuntary (closed) beds to be located at CMMC. The above application also reflects an update of the CN's project cost as noted.

Please be advised that this will be the final extension of time approved by the Department for the implementation of these adult psychiatric beds. If these awarded beds are not ready for occupancy and inspection by the Department by the above expiration date, the hospital will forfeit the ability to seek licensure of these beds.

By way of background, on February 17, 2009, CMMC obtained CN approval for the relocation of 23 adult voluntary (open) psychiatric beds from St. Mary's Hospital, which closed its inpatient psychiatric services on June 1, 2008. Two of the 23 beds were implemented in the existing open psychiatric unit at CMMC. On January 2, 2018, CN approval for a change in scope (CN #ER 081008-07-01 C/S), was granted to redesignate

PHILIP D. MURPHY Governor

SHEILA Y. OLIVER Lt. Governor Clara Maass Medical Center CN# ER 20081005;05 Extension of Time Page 2

the above remaining 21 unimplemented beds from open beds to closed beds. However, you have indicated that due to the disruptions and challenges of the COVID pandemic, the remaining 21 beds have not yet been implemented. Therefore, you are requesting an extension of time to complete the project in a phased approach and have submitted architectural plans for the Department's review. Although CMMC sought a four-year extension of time for this CN, given that the original approval was in 2009, the Department has determined that no more than the customary 18-month extension of time is appropriate.

This approval for an extension of time is limited to the application as presented and reviewed. The application, related correspondence, and any completeness questions and responses are incorporated and made a part of this approval. An additional review by the Department may be necessary if there is any change in scope, as defined in <u>N.J.A.C.</u> 8:33-3.9. However, a change in the cost of an approved certificate of need is exempt from certificate of need review subject to the following:

- 1. The applicant shall file a signed certification as to the final total project cost expended for the project at the time of the application for licensure for the beds/services with the Certificate of Need and Healthcare Facility Licensure Program.
- 2. Where the actual total project cost exceeds the certificate of need approved total project cost and is greater than \$1,000,000, the applicant shall remit the additional certificate of need application fee due to the Certificate of Need and Healthcare Facility Licensure Program. The required additional fee shall be 0.25 percent of the total project cost in excess of the certificate of need approved total project cost.
- 3. The Department will not issue a license for beds/services until the additional fee is remitted in full.

The Department in approving this application has relied solely on the facts and information presented to us. We have not undertaken an independent investigation of such information. If material facts have not been disclosed or have been misrepresented, the Department may take administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

Any approval granted by this Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity. This letter is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services.

This approval is not intended to preempt in any way the authority of any municipality to regulate land use within its borders and shall not be used by the applicant to represent that the Department has made any findings or determination relative to the use of any specific property. Clara Maass Medical Center CN# ER 20081005;05 Extension of Time Page 3

Please be advised that services may not commence until a license has been issued by the Certificate of Need and Healthcare Facility Licensure Program for the additional psychiatric beds. A survey by Department staff will be required prior to commencing services.

If you have any questions concerning this approval, please do not hesitate to contact Michael J. Kennedy, J.D., Executive Director, Division of Certificate of Need and Licensing at <u>Michael.Kennedy@doh.nj.gov</u>

Sincerely,

Robin C. Ford, MS Deputy Commissioner Health Systems New Jersey Department of Health

S. Mozgai, DOH M. Kennedy, DOH Kara Morris, DOH Kim Hansen, DOH L. Alexopoulos, DOH T. D'Errico, DOH Intake

CC: